

From the District Director's Desk

2006 Focus: Surety Bonds

By Francisco "Pancho" A. Marrero

This fiscal year, the South Florida District Office will implement an initiative to spread the word about an important, but truly under-utilized SBA program that has been helping small and emerging federal contractors for over 30 years — the Surety Bond Guarantee program.

Typically small contractors have the knowledge and skills necessary for success in the federal arena, but often lack a bonding track record and the financial strength to obtain a bond through regular commercial channels. Under the SBG program, the SBA assists small and emerging contractors by guaranteeing bid, performance, and payment bonds issued by surety companies.



This guaranty allows sureties to write bonds that otherwise would not meet their minimum bonding standards.

Application

for the program is simple and straight forward. Eligibility requirements include: (a) the contract must be for \$2.0 Million or less; (b) the contractor must be independently owned and "small" by SBA size standards; and, (c) the contractor must possess a good

District Celebrates Lenders' Achievements

By Althea A. Harris
Public Affairs Officer

Bank of America topped all lenders for the fifth consecutive year in the U.S. Small Business Administration South Florida District's 7(a) Loan Guaranty Program. The district's number one lender underwrote 1,861 small business loans for South Florida entrepreneurs.

The awards luncheon is an annual tradition which recognizes the outstanding contributions of SBA lenders who underwrite SBA guaranteed loans, providing access to capital for small business owners in the district's 24-county area.

The morning training session for *Preferred* and *Certified* lenders and Certified Development Companies included information on procedural notices and



SBA Management & the Winning Team at Bank of America

Florida Business Development Corp. added to its more than decade-long run as the number one Certified Development Corp. in the District, posting 246 loan valued at nearly \$104M.

Approximately 175 people: lenders, non-bank lenders and other program supporters, attended the South Florida District 5th Annual Lenders Training Program and Awards Luncheon held at the Doubletree Grand Hotel in Miami on November 10.

presentations from district staff of the marketing and outreach and capital access/lender servicing divisions.

Regional Administrator Nuby J. Fowler provided welcoming remarks, and District Director Francisco "Pancho" A. Marrero served as the Master of Ceremonies. Both applauded the efforts of the district office staff and recognized the lenders and resource partners for their outstanding contributions to small businesses within the South Florida District area.

Nobody Does it Better than SBA

By Nuby J. Fowler
Region IV Administrator

Make no mistake about it, SBA, and our family of lending and technical assistance partners, create opportunity for thousand of small businesses each year. Not only are we helping business owners fulfill their individual dreams – a worthwhile endeavor itself, our programs foster job creation, economic expansion, and the development of wealth in communities that in the past have been left on the economic sidelines.

Look no further than the number of businesses we directly impact with a loan guarantee or training program, coupled with the fact that we experience real growth in our programs year after year and it is not a stretch to conclude that we are doing something right.



For those of us who see first hand the benefits of SBA backed programs day to day, it is hard to imagine how different the results would be for many an entrepreneur if SBA were not around. Over the recent

holidays, I had occasion to see the Frank Capra classic “It’s a Wonderful Life.” Everyone knows the story of good-guy George Bailey who followed duty and responsibility rather than personal ambitions. After concluding that his life has been a pointless mess, George’s guardian angel saves

the day by showing him how vitally important he has been to family, friends, the whole town of Bedford Falls, and beyond. George is such a fitting metaphor for SBA. Like him, we quietly do our work, helping individuals live out the American Dream, create employment opportunities for those

who may otherwise be unemployed, helping families and businesses recover from disaster, all with little credit or fanfare coming our way.

As I have traveled the southeast, meeting with SBA staff and our partners, I am always impressed by the visible results of SBA programs. City streets dotted with businesses that got their start thanks to SBA, products and services that would not exist, except for SBA, and communities once devastated by disaster that owe their recovery, at least in part, to SBA. Now picture how things would be different had we not been there. Like George Bailey, I suspect we would see a big difference.

The SBA Office of Advocacy’s 2005 report on “The Small Business Economy” confirms what most of us already know; entrepreneurship is embedded in the American culture and a cornerstone of our economic strength. The fact that SBA exists reflects the country’s belief that it is in everyone’s best interest to encourage the growth of small businesses.

Nobody does that better than SBA!

New SBA Online Tool for Women!

MY BIZ for Women Offers Easy On-line Access to Business Start-Up Help

WASHINGTON – SBA launched a new online tool designed to provide comprehensive business information and assistance to women entrepreneurs called ***MY BIZ for Women***.

MY BIZ for Women is designed to be the first step for all women business owners, providing one-stop access to information highlighting the best resources the federal government has to offer on starting and growing a small business, gaining access to capital, contracting opportunities. There are links to other government agencies and SBA resource

partners offering business counseling, a state-by-state listing of SBA’s Women’s Business Centers and other resource information. The *MY BIZ for Women* Web site can be found at <http://www.SBA.gov/women>.

“Women-owned small businesses in the United States are rapidly growing – they are starting businesses at twice the rate of all businesses,” said SBA Administrator Hector V. Barreto.

Features of the new Web portal which will serve as a single point of entry for women

entrepreneurs to government resources include: up-to-date information on important issues to women in business, including Women’s Business Data & Research; Inspiring Success Stories; Business Tips and Upcoming Events.

Women will be able to gain valuable insights into the world of entrepreneurship from monthly guest columnists who will share their wisdom and experience from unique perspectives. They can also subscribe to *The Women’s Perspective*, a free SBA newsletter for women in business.

Disney/SBA National Entrepreneur Center Creates a Buzz with Open House Event

Ilene P. Rubio

**Acting Director, Disney/SBA
National Entrepreneur Center**

The Disney/SBA National Entrepreneur Center in Orlando, Florida welcomed the small business community and locally elected officials at its Open House on December 1, 2005 to create awareness in the community of the many programs and services

partnership includes four major sponsors: the U. S. Small Business Administration; Disney Worldwide Services; Orange County Government; and the University of Central Florida.

Among the Disney/SBA NEC's on-site partners who provide counseling and assistance with financing are: U.S. SBA; Black Business Investment Fund; Florida Black

Representatives from each of the center's on-site partners displayed information on their programs and services, answered participant questions and provided one-on-one counseling. "The Open House event was an excellent networking and learning opportunity for small business owners and the entire Orlando community," said Acting Disney/SBA NEC Director Ilene P. Rubio.

The Disney/SBA NEC is only the second of its kind in the nation. The first NEC opened in San Jose, California in 2000 through a partnership between the City of San Jose and Cisco Systems. "The Disney/SBA National Entrepreneur Center is poised to become the best in the nation," stated SBA Regional Administrator Nuby J. Fowler, who heralded the center's benefits and its impact on the State of Florida's small business economy during her formal remarks at a brief program.

Other SBA officials included the District Directors from South Florida Francisco "Pancho" A. Marrero and his Deputy Gilbert Colón, and from North Florida Wilfredo González and his Deputy Ralph Ross. Some of the Center's other contributing sponsors include AmSouth Bank, Banco Popular, City of Orlando, Darden Restaurants, Florida Hi Tech Corridor Council, Orlando Utilities Commission, and SunTrust Bank.

The Disney/SBA NEC is located at One Landmark Center at 315 East Robinson Street, Suite 100, in Downtown Orlando, FL. Go to www.floridanec.org or call (407) 420-4848 for more information.



Nuby J. Fowler, SBA Regional Administrator; Francisco "Pancho" A. Marrero, South Florida District Director; Manny Perez-Hernandez, President/CEO of 3D Diorama Fine Art Collection in Orlando; Gilbert Colon, Deputy District Director South Florida; Ilene P. Rubio, Acting Director, SBA/Disney NEC; Wilfredo Gonzalez, North Florida District Director.

offered by the Center. The Disney/SBA NEC opened its doors in June 2003 to serve as a one-stop location where entrepreneurs can receive the counseling and training assistance they need to succeed in business.

The Disney/SBA NEC is a premier public/private partnership that contributes to the overall economic environment of the Central Florida area. The

Business Investment Board; Florida First Capital Finance Corporation; the Hispanic Business Initiative Fund; the Minority/Women Business Enterprise Alliance; the Metropolitan Orlando Urban League; SCORE-Counselor's to America's Small Business; and, the University of Central Florida Technology Incubator.

Focus on Finance

1st Quarter Gains for Small Businesses

from the DD's Desk, from page 1

reputation. There are two plans: The Prior Approval Program that provides a 90% guaranty and, the Preferred Surety Bond Program with a 70% guaranty.

As part of its marketing and outreach efforts, the District has just completed an 8,000-piece mailing about the SBG program to state certified General Contractors operating within the boundaries of the district.

Please help us get the word out about this program by sharing this information with your small and emerging contractors. For greater detail on the SBG Program visit SBA's website at www.sba.gov/OSG/ or call the regional SBG program representative in Atlanta at (404) 331-0100, ext. 615.

FY 2006 Top SBA Lenders

Loan Activity as of December 31, 2005*

837 7(a) Loan Guaranties Approved, \$132 Million

1	Bank of America N.A.	457	\$16.6
2	Capital One Federal Savings Bank	64	\$ 2.8
3	Banco Popular	35	\$14.8
4	Business Loan Center, LLC.	27	\$ 4.7
5	Wachovia SBA Lending, Inc.	25	\$17.7
6	CIT Small Business Lending Corp.	24	\$12.3
7	Suntrust Bank	19	\$ 0.9
8	Comerica Bank	16	\$ 7.0
8	UPS Capital Business Credit	16	\$ 9.9
8	Washington Mutual	16	\$ 0.5

100 504-CDC Loan Guaranties Approved, \$48.7 Million

1	Florida Business Development Corp.	56	\$24.3
2	Florida 1 st Finance Capital Corp.	29	\$14.5
3	Gulf Coast Business Finance, Inc.	7	\$ 4.2
4	Southwest Florida Regional Dev.	3	\$ 2.2
5	Tampa Bay Economic Dev. Corp.	3	\$1.0

*** Get detailed statistical loan data and other valuable information about our District Office territory in the Market Profile by clicking on "Local Resources" at: www.sba.gov/fl/south**

ASK THE SBA. . .

Q. Is a Phase 1 Environmental Assessment always required in the acquisition of real property through the 7(a) and 504 Loan Programs?

A. No. There are 4 levels of Environmental Investigation: Environmental Questionnaire; Transactional Screen Analysis; Phase I Audit; Phase II Audit. The circumstances surrounding each property will dictate the level of Environmental Investigation required, but the process may begin with an Environmental Questionnaire which may be

appropriate when any of the following exists: (a) there have been no business or agricultural operations on the property; (b) the collateral is part of a multi-unit building or complex; (c) a Phase I (less than one year old) indicated that risk is so minimal no further investigation is required; (d) a Phase I (less than one year old) indicates the presence of contamination and, the Regulatory Agency has determined no remediation or monitoring is required, or remediation or monitoring is completed or adequate indemnification exists; and, (e) There is a "reasonable and prudent belief there is No Risk of Contamination." This

reasonable and prudent belief requires sufficient knowledge about the past and current business or agricultural operations at the site (and adjacent sites) to determine if those operations are likely to have involved the use of chemicals (pesticides could be a problem) or the existence of aboveground or underground storage tanks. If such operations existed, a higher level investigation is warranted. Lenders are urged to use caution and should be thoroughly familiar with the limitations placed on the use of a Questionnaire. Read SOP 50 10 pages 115 to 127 for more on SBA's Environmental policies.